

REMARKS

This Amendment and Request for Reconsideration is submitted in response to an outstanding Office Action dated December 18, 2006, the shortened statutory period for response set to expire on March 18, 2007. Accordingly, no Petition or Fee for Extension of time are due. In the event that an extension of time is required, the undersigned hereby petitions for said extension of time, and authorizes the commissioner to charge any required fee to Deposit Account No. 13-3250.

I. Status of the Claims

Please cancel claims 10 and 41 without prejudice. Claims 1-9, 11-13, 15-40, 42, 43, 65 and 66 are now pending in the application. Claims 1, 11, 12, 13, 42, 43, and 65 are independent claims.

Applicants acknowledge the Examiner's citation of statutory authority as a basis for claim rejections.

II. Rejections under 35 U.S.C. § 101

The Examiner has rejected claims 10 and 41 under 35 U.S.C. § 101 as being directed to non-statutory subject matter. The Examiner states that "computer executable software code transmitted as an information signal does not fall within any of the categories of patentable subject matter set forth in 35 U.S.C. § 101."

As previously stated, Applicant submits that in software sale and distribution, code for accomplishing a method may be sold and distributed on a computer readable medium (e.g., claim 11) for later installation on a computer system. It is also common for software code to be distributed directly to users by electronic down-load to a computer, without transfer of a computer readable medium. In order to fully protect the various types of sales and distribution

activities, applicants have crafted claims to specifically cover electronic transfer of infringing software code, by directing claims 10 and 41 to computer software code **transmitted as an information signal**. Applicants submit that computer executable software code transmitted as an information signal (claims 10 and 41) serves a useful purpose just as a computer readable medium (claim 11), and a computer with memory and a processor (claim 12) serve useful purposes. Applicant submits that to be statutory, 35 U.S.C. § 101 requires nothing more.

Applicant also directs the Examiner's attention to claims 84, 85 and 86 of U.S. Patent No. 6,513,020, which issued on January 28, 2003 ("the '020 patent"). Those claims are directed to "A computer data signal embodied in a carrier wave and representing instructions for execution by a computer for ..." Applicant's also direct the Examiner's attention to claims 82 and 83 of the '020 patent. Those claims are directed to a computer program product for ... comprising: a computer readable medium having stored thereon ..." Applicants submit that there is no statutory difference between the subject matter of those claims of the '020 patent and claims 10 and 41 of the instant application.

Finally, Applicant directs the Examiner's attention to recent holdings from the Court of Appeals for the Federal Circuit, which clearly show that software code alone is patentable as a process, and that electronic transmission of software code is eligible for the same protection as a physical media where the software code is stored. In *Eolas*, the Federal Circuit stated that "[w]ithout question, **software code alone qualifies as an invention eligible for patenting ... at least as processes**. ... [T]his software code claimed in conjunction with a physical structure, such as a disk, fits within at least these ... categories of subject matter within the broad statutory label of 'patented invention.'" *Eolas Tech. Inc. v. Microsoft Corp.*, 399 F.3d 1325, 1399 (Fed. Cir. 2005) (emphasis added). In *A T & T*, the Federal Circuit quoted *Eolas* for

that proposition, and then stated “we cannot accept [the] suggestion that **software sent by electronic transmission must be treated differently** for purposes of § 271(f) liability **from software shipped on disks**, ... as it would amount to an exaltation of form over substance. [W]hether software is sent abroad via **electronic transmission or shipped abroad on a ... disk is a distinction without a difference** for the purposes of § 271(f) liability.” *A T & T Corp. v. Microsoft Corp.*, No. 04-1285, 2005 WL 1631112, *4 (Fed. Cir.(S.D.N.Y) July 13, 2005) (emphasis added).

Notwithstanding the above, Applicants have cancelled claims 10 and 41 without prejudice, and submit that all pending claims are now allowed or allowable.

III. Request for Reconsideration

Applicants respectfully submit that the claims of this application are in condition for allowance. Accordingly, reconsideration of the rejection and allowance is requested. If a conference would assist in placing this application in better condition for allowance, the undersigned would appreciate a telephone call at the number indicated.

Respectfully submitted,
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